

**STATE CORPORATION COMMISSION
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**DIVISION OF COMMUNICATIONS
RICHMOND, VA****HJR 153 FEASIBILITY STUDY****SURVEY ANSWERS**

Submitted by:

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Question 1. Answer: The elimination of the T.E.R.F. tax in conjunction with redevelopment projects. The feasibility of undergrounding overhead distribution lines in conjunction with the redevelopment of the older suburbs and inner cities and how to underwrite the cost of such a program and keep new businesses competitive and housing affordable for the workforce. Should all ratepayers share in the cost or should only those immediately impacted by the undergrounding be required to pay.

Question 2. Answer: More reliability with significant weather events, less opportunity for accidents, greater esthetic value and will assist in the success of the redevelopment of older areas of communities.

Question 3. Answer: Significant costs, including the T.E.R.F. tax, that must be passed on to redevelopers and ultimately business owners and homeowners or renters in an environment that would not allow those costs to be passed on to ratepayers. For utilities, objections to costs being passed on to ratepayers should those costs be allowed to be passed on to customers and the ability for utilities to stay competitive in such a high cost environment and meet market expectations.

Question 4. Answer: The T.E.R.F. tax and the significant costs of such a relocation program. Who should pay, all (most of the public) who will benefit from such program or just those directly impacted by undergrounding? The current status of the effort of the Commonwealth to deregulate the industry.

Question 5. Answer: Understand that most undergrounding would occur in the immediate area of the current overhead lines which should reduce complications of such a program given the clear esthetic value of such a program. Understand that older overhead utility easements include ground below the same.

Question 6. Answer: In conjunction with redevelopment projects in the inner cities and older suburbs given the many positive affects on community of such activities,

reliability track record of current overhead distribution lines, most undergrounding for the dollar, accident record of current overhead facilities, esthetic value.

Question 7. Answer: Given the tremendous costs associated with the repair or replacement of overhead distribution lines following storms and other significant weather events, all ratepayers should share in the tremendous cost of undergrounding. Just as with floods, should the government continue to provide benefits to flood victims in low lying areas prone to floods over and over or assist one-time in the relocation of home or business? Another option would be a small tax on each monthly statement of each ratepayer to underwrite such a program.

Question 8. Answer: Pilot programs always seem prudent and such a program, as suggested above, should be conducted in conjunction with redevelopment projects in the inner cities and older suburbs. Allow utilities to include a small surcharge on the monthly statement of all ratepayers.

Question 9. Answer: Only if such a program includes a funding formula that would not allow all such costs to only be passed-on to the property owners directly impacted by the undergrounding. For the most part, all redevelopment projects where overhead distribution lines exist today, are required to be served by underground facilities by localities in the site plan or plan of development approval process.

Question 10. Answer: None, except the political consequences of imposing the costs, including the T.E.R.F. tax, of such a program or property owners in the immediate area and the political consequences of the construction of such new facilities on traffic and on private property. Most new development projects (both commercial and residential) where service does not currently exist are required to underground utility services in every area of the state through the facilities manuals of localities in their site plan or plan of development approval process. Not aware of a single new development project where that has not been the case for over a decade. Likewise, every redevelopment project I am familiar with, currently served by overhead distribution lines, has been required to underground utilities by localities in their site plan or plan of development approval process.

Question 11. Answer: Only the political consequences of such a tax should a special taxing district be established. Not sure whether or not current statutory authority for the establishment of such a taxing district could be created.

Question 12. Answer: Previous responses should apply.

NOTE: Also please place Mike Toalson on the distribution list for all correspondence and please consider Mr. Havenner as the HBAV representative on the feasibility study.

HJR 153 FEASIBILITY STUDY

GENERIC QUESTIONS

1. Please identify the major issues/questions that should be addressed by the HJR153 feasibility study.
2. Please describe the potential benefits to the public and utility companies associated with the undergrounding of overhead distribution lines.
3. Please describe the potential negative impacts on the public and utility companies associated with the undergrounding of overhead distribution lines.
4. Please describe in detail the potential obstacles associated with the implementation of a program to relocate overhead distribution lines to underground (for example, statutory, regulatory, technological, economic, safety, and physical obstacles).
5. Please describe the process for identifying and securing right-of-way easements for the relocation of existing overhead distribution lines to underground. What property rights issues would be raised as a result?
6. In order of importance, list the criteria that should be considered to determine whether the implementation of a program to relocate overhead distribution lines to underground is desirable.
7. In order of preference, describe the potential options for funding the relocation of overhead distribution lines to underground and explain the basis of your recommendation.
8. Should one or more pilot programs be conducted to determine more precisely the benefits, costs and obstacles associated with the implementation of a program to relocate overhead distribution lines to underground? If pilot programs should be conducted, how could and should the pilot programs be funded?
9. Considering the costs, benefits and obstacles associated with the implementation of an undergrounding program, should the General Assembly require utilities to place all or a portion of existing and/or new overhead distribution lines underground? Alternatively, should such decisions be left to local government? Please explain your answer.
10. What obstacles, if any, currently prevent a local government from enacting an ordinance establishing all or a part of the locality as an area in which: (a) existing overhead utility distribution lines must be relocated underground over some period of time; and/or (b) all new utility distribution lines must be located underground?

11. For the specific purpose of funding the undergrounding of existing overhead utility distribution lines, what obstacles, if any, currently prevent a local government from levying a special tax on the residents and businesses of an area within the locality in which the local government has enacted an ordinance requiring the undergrounding of utility distribution lines? Would such a special tax assessment require specific new authorization from the General Assembly?
12. Interested parties are invited also to address all other legal and policy issues they believe relevant to this investigation.
13. Please indicate below your desired level of participation in the feasibility study.

☒ Placed on the distribution list for all correspondence.

☒ Considered as an active participant in the feasibility study. If you wish to be considered as an active participant, please complete the following:

Field of expertise Development / Redevelopment (Commercial / Residential)

Organization Home Builders Association of Virginia

14. If you are interested in participating as an active participant, would you be willing to serve also as a member of a subgroup to identify, research, and analyze specific issues and provide written summaries of specific topics of study?

☒ Yes

☐ No

15. Please provide the following contact information:

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Title The Christopher Companies

Mailing Address 11150 Main Street, Suite 900

Fairfax, Virginia 22030

Telephone (703) 352-5950 Fax 703 352-5950

Email Address ChrisC@web.aol.com

16. Do you plan on attending the kickoff meeting in Richmond (specific location to be announced later) scheduled for 9:30 a.m., Monday, August 16, 2004?

☐ Yes. Number of attendees representing your organization: _____

☒ No Mike Tolson will attend for me.



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FAX COVER SHEET

HBAV FAX NUMBER (804) 780-2482

DATE:

8/6/04

TO:

Tim LAUGH

COMPANY:

SLC

FAX #:

371-9350

FROM:

- ☒ Mike Toalson
☐ Kathy Ronnau
☐ Ellen Scarff
☐ Barb Greenbaum

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TO FOLLOW:

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SUBJECT:

Survey Responses

If this transmission is incomplete or illegible, please call (804) 643-2797

~2004 Upcoming Events~

*September 22
Executive Committee Meeting*

*September 23
Board of Directors Meeting*

*October 3-5
Certified Graduate Builder Program*

MESSAGE:

☒ per our conversation

☐ for your information

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